

Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 EB-07 /017 W
----- 105388 /66

R 100730Z DEC 76
FM AMCONSUL MELBOURNE
TO AMEMBASSY CANBERRA
USDOC WASHDC
INFO AMCONSUL BRISBANE
AMCONSUL PERTH
AMCONSUL SYDNEY
SECSTATE WASHDC 3678

LIMITED OFFICIAL USE MELBOURNE 2359

E O 11652 N A
TAGS BTIO, MMOL, AS
SUBJ: MAJOR PROJECTS: HEAVY DUTY TRUCK PURCHASE

REF CANBERRA 8837

1. BEGIN LIMITED OFFICIAL USE. ON RECEIPT REFTEL, ECONOFF
TELEPHONED BEN LASRICH, CHAIRMAN AND CEO, INTERNATIONAL
HARVESTER CO OF AUSTRALIA P/L (IH), MELBOURNE-BASED SUBSIDIARY
OF IH OF CHICAGO AND UNDERSTOOD TO BE ONLY TRUCK MANUFACTURER
(VERSUS ASSEMBLERS) IN AUSTRALIA. LASRICH WAS SURPRISED AND
ANGRY TO LEARN OF AUSTRALIAN ARMY'S TRUCK PURCHASE PLANS AS HE
HAD JUST SPENT PAST FEW DAYS IN TALKS WITH AUSTRALIAN MILITARY
OFFICERS AND CIVIL SERVANTS IN CANBERRA AND THEY MADE NO RPT
NO MENTION OF THIS PLAN. FOLLOWING CONVERSATION WITH LASRICH,
ECONOFF PHONED TEN OTHER US AUTOMOTIVE INDUSTRY SUBSIDIARIES
IN VICTORIA AND SOUTH AUSTRALIA; NOT ONE HAD BEEN
APPROACHED BY ANYONE FROM AUSTRALIAN SIDE AND NONE HAD
HEARD OF TRUCK PURCHASE PLANS AT ALL. EMBASSY'S SURMISE
THAT THESE LOCAL ORGANIZATIONS HAD BEEN CONTACTED BUT
DROPPED THE BALL WAS INCORRECT; POST SUGGESTS USDOC SHOULD
AVOID GIVING ANY SUCH IMPRESSION TO US COMPANY HEADQUARTERS
WHEN PASSING SUBSTANCE REFTEL TO THEM.

2. LASRICH TOLD ECONOFF THAT IH HAD CONTRACT SEVERAL YEARS
AGO WITH AUSTRALIAN ARMY TO BUILD TRUCKS BUT ARMY OFFICIALS
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INVOLVED IN THAT CONTRACT WERE, IN HIS WORDS, "CHISELING

(EXPLETIVE DELETED)"; IH STILL HAS A CLAIM FOR APPROX
THREE MILLION DOLLARS PAYMENT FROM ARMY WHICH LASRICH SAID HE
DOUBTS HE WILL EVER SEE, AND IH IS ALSO STUCK WITH SIGNIFICANT
QUANTITY OF SPARE PARTS PROVIDED UNDER CONTRACT BUT ARMY
ALLEGEDLY BENEGED ON ACCEPTING AND PAYING FOR THEM. LASRICH
SAID IH "NOT VERY INTERESTED IN GETTING BURNED AGAIN," BUT
GLADLY ACCEPTED COPY OF REFTEL OFFERED TO HIM.
END LIMITED OFFICAL USE

BEGIN UNCLASSIFIED.

3. ECONOFF PHONED FOLLOWING OTHER US SUBSIDIARIES AND SENT
COPIES OF CABLE TO EACH PERSON NAMED:

- MR ROBERT PERKINS, DIRECTOR-FAR EAST CHRYSLER INTL SERVICES,
ADELAIDE, SA;
- MR A E BURNETT, ASST TO GEN DIR MAX WILSON,
GENERAL MOTORS OVERSEAS CORP, MELBOURNE;
- MR DIX, DEPUTY TO FRANK ERDMAN, PRES OF FORD ASIA-
PACIFIC AND SO AFRICA, INC, MELBOURNE;
- MR JACK MASLEN, OPS MGR AND DEPUTY TO J H ROUTLEDGE,
MGR DIR, KENWORTH TRUCKS P/L, BAYSWATER, VIC, SUBSIDIARY
OF PACCAR INC OF BELLEVUE, WASHINGTON, MFGRS OF HEAVY-
DUTY TRUCKS;
- MR PATRICK MCNAMARA, MG DIR, ROCKWELL STANDARD OF
AUSTRALIA LTD, SUNSHINE, VIC MFGRS OF TRUCK ANLEX, TRANSMISSIONS,
OTHER COMPONENTS, SUBSIDIARY OF ROCKWELL
INTERNATIONAL;
- MR ROBERT J GARDINER, MGR, BORG-WARNER PARTS AND
SERVICES DIVISION, SO YARRA, VIC, MFGRS OF TRANSMISSIONS,
AXLES, OTHER COMPONENTS; HE WILL FORWARD TO HEAD
OFFICE IN SYDNEY;
- MR WILLIAM R VAN ORDER, MG DIR, CATERPILLAR OF
AUSTRALIA LTD, TULLAMARINE, VI;
- MR DICK GLASS, MG DIR, CUMMINS DIESEL AUSTRALIA,
RINGWOOD, VI; CUMMINS USA PROVIDED DIESEL ENGINES FOR
SOME KAISER-BUILT TRUCKS MADE IN USA FOR AUSTRALIAN ARMY
SEVERAL YEARS AGO;
- MR W J C NORTH, MG DIR, AUSTRALIAN TIMKEN P/L,
BALLARAT, VIC. SUBSIDIARY OF TIMKEN CO, CANTON, OHIO;

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TIMKEN PROVIDED THE BEARINGS FOR IH TRUCKS BUILT FOR
AUSTRALIAN ARMY (PARA ABOVE);

- MR A T MULLER, DEP MG DIR, BENDIX-MINTEX P/L,
BALLARAT, VIC, MFGR, OF TRUCK BRAKE LININGS; SUBSIDIARY
OF BENDIX CORP, OF SOUTHFIELD, MICH.

4. IN VIEW OF FACT THAT NONE OF ABOVE KNEW OF THIS
TRUCK PURCHASE PLAN, WE URGE OTHER POSTS TO MAKE

SIMILAR CANVASS OF US AUTOMOTIVE INDUSTRY SUBSIDIARIES
IN THEIR AREAS.
BRAND

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